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Special high-level meeting with the World Bank, the International Monetary Fund, the World Trade Organization and the United Nations Conference on Trade and Development

Summary record of the 27th meeting
Held at Headquarters, New York, on Tuesday, 21 April 2015, at 10 a.m.

President: Mr. Sajdik ..... (Austria)

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The meeting was called to order at 10.10 a.m.

Coherence, coordination and cooperation in the context of financing for sustainable development and the post-2015 development agenda (*continued*)

Presentation on theme 1: "World economic situation and prospects"

1. **Mr. Helbling** (Chief, World Economic Studies Division, International Monetary Fund (IMF)), introducing the 2015 World Economic Outlook, entitled "Uneven Growth: Short- and Long-term Factors", said that the global growth forecast of 3.5 per cent for 2015 and 3.8 per cent for 2016 was low, given the unused economic capacity in many countries. The outlook for advanced economies was improving after many years of slow growth, but 2015 would be difficult for emerging market and developing economies because of falling oil and commodity prices and country-specific developments.

2. In the short term, the fall in oil prices would benefit importers and the global economy but would reduce trade and income for exporters. The appreciation of the dollar and the depreciation of the euro and the yen would help the euro area and Japan but hinder growth in dollar economies. While the overall effect of that exchange rate realignment was positive, it generated risks to global rebalancing.

3. The forces affecting the long-term outlook, particularly in the euro area, included the weak banks and high debt resulting from the global economic and financial crisis, which would impede growth and cause deleveraging and sluggish dynamics for some time. Potential growth in advanced and emerging market economies would be affected by the slowing of growth in labour supply and trend employment. The rate at which emerging market and developing economies were converging with advanced economies would also decrease.

4. Lower oil prices reflected not only the increase in supply but also the fall in demand in the weak global economy. Their overall positive effect was therefore small and confined to advanced economies, where end users benefited from the lower prices. In emerging market and developing economies, oil prices for such users were managed by Government, which would benefit from the windfall. Such economies, which had faced difficulties on international capital markets, low capital inflows, low growth and deteriorating fiscal positions, should use that gain to shore up their fiscal and external positions rather than to manage vulnerabilities.

5. The extent to which the decline in oil prices would reduce growth in exporting countries would depend on the financial reserves accumulated by Governments. In Middle Eastern exporting countries, the lower revenues would result, not in reduced government expenditure, but in larger budget deficits and a reduction in external assets. In the Russian and Venezuelan economies, activity would decrease in 2015 but would subsequently recover as investors responded to the lower prices following at a least a partial unwinding of the supply shock. The oil price decline had resulted in the transfer of downside risk from importing countries, whose financial positions would become stronger, to exporting countries, which would face higher risk spreads, less favourable international financial conditions and possible currency devaluation.

6. Although non-fuel commodities had lost value in 2014 as a result of the weak global economy, the decline had been less severe than in the case of oil. Trade in such commodities would stabilize in 2015 and 2016, although the income lost over the preceding three years would not be recovered by exporting countries.

7. Many of the conditions that had resulted in the exchange rate realignment had been in place for some time, including higher growth in the United States than in Europe and Japan, large divergences in monetary policy and the fall in oil prices, but the effects of those conditions had not been felt until the second half of 2014. The realignment had mainly affected the major advanced economies and would broadly be beneficial, in particular in the euro area, where monetary policy had previously been constrained, growth sluggish and the effects of the crisis ongoing. In the United States, the appreciation of the dollar would impede growth but would not stop the recovery. The realignment had not affected exchange rates in emerging market and developing economies but could lead to currency mismatches, in particular in countries whose monetary policy was pegged to the dollar but which received much of their foreign exchange revenue in other currencies.

8. The appreciation of the dollar had resulted in the tightening of monetary conditions in the United States,

which would continue at a slower pace in 2015 as unemployment levels converged with the long-term unemployment rate. Such tightening represented a significant change on international financial markets, which had been accustomed to slow growth and accommodating monetary conditions in advanced economies. Tightening in advanced economies could affect financial conditions in emerging market and developing economies, which had become net importers of capital and had not experienced the financial easing from which advanced economies had benefited.

9. Higher growth would be supported in advanced economies by accommodating monetary policy, moderate fiscal consolidation and exchange rate realignment. Although the picture in emerging market and developing countries was more mixed, those countries would be helped by stronger demand from advanced economies, favourable financial conditions, the lifting of certain structural impediments to growth, and recovery in economies affected by geopolitical tension and domestic strife, particularly in 2016.

10. Growth in advanced economies would exceed 2 per cent in 2015 and 2016. It would be lower in emerging market and developing economies in 2015 but would recover in 2016 because of improving conditions. Brazil and the Russian Federation would face difficulties in 2015, but in low-income developing countries, growth would be 5.5 per cent in 2015, rising to 6 per cent in 2016 as oil prices recovered.

11. The strong growth in emerging market and developing economies in the latter part of the last decade was now perceived as a cyclical rather than a permanent improvement, and the longer-term trend was now reappearing. The medium-term prospects for sub-Saharan Africa and the least developed countries were improving steadily because of better policy frameworks, the removal of structural impediments to growth, infrastructure investment and human capital development. The decline in commodity prices, however, would result in new policy challenges.

12. The anticipated management of the slowing of the Chinese economy by the Government would reduce the risk of sharp corrections in the long term but would do little in the short term to boost the prices of commodities produced in emerging market and developing economies. The strong Chinese recovery from the economic and financial crisis, based on policy stimulus, rapid credit growth and investment, had proved unsustainable and could result in vulnerability and a more pronounced slowdown than expected.

13. The demographics of major emerging market economies, which had previously been an asset, could become a hindrance, particularly in China, where trend employment would make only a small contribution. The strong growth of such economies had been based on labour force growth and capital accumulation rather than productivity growth, which should be encouraged through the removal of structural impediments and the adoption of policies that fostered human capital accumulation and the transfer of technology and knowledge.

14. The improvements in advanced economies had resulted in a more balanced distribution of risks to global growth, which would be stimulated by the fall in oil prices. The Fund, however, was concerned about the turmoil on the financial markets, in particular the prevalence of low term premiums on international bonds, which could result in violent adjustments. Stagnation was also a risk in the euro area and Japan, owing to the effects of demographics, the crisis and debt. Geopolitical risks persisted in many areas.

15. In emerging market and developing economies, which relied on capital inflows, as well as in oil importing countries, vulnerabilities should be addressed through economic policy. Exporting countries should take fiscal measures to adjust public spending to lower oil prices and allow for exchange rate adjustments. All economies should take the opportunity provided by lower oil prices to reform energy subsidies and taxes.

16. **Ms. Mejía Vélez** (Colombia) said that the outlook left some room for optimism, but her Government did not expect low oil prices to be a purely short-term phenomenon. Many emerging market economies in Latin America, which had been driving sustainable growth, depended on oil. Bearing in mind that the scenario was very different from that in which the Monterrey Consensus of the International Conference on Financing for Development had been drafted in 2002, she asked what substantive commitments and implementing measures could be designed to avoid a crisis.

17. **Mr. Kostzer** (World Bank) requested further information regarding the causes of the economic

slowdown in China and the risks it generated for commodities.

18. **Ms. Castro Mazariegos** (Guatemala) said that changes in the global energy matrix and the costs of fracking meant that oil prices might remain low in the long term. Given that commodity prices were increasingly linked to those of fossil fuels, the fall in oil prices could result in a fall in commodity prices and slow growth in Latin America and Africa for at least a decade.

19. **Mr. Drobnjak** (Croatia) requested further information regarding the medium-term prospects in terms of currency fluctuations and exchange rates and their potential impact on economic recovery.

20. **The President** asked how long the legacies of the financial and economic crisis would last.

21. **Mr. Helbling** (Chief, World Economic Studies Division, International Monetary Fund) said that although the development of a system that provided for official financing was a political challenge, the important role played by capital market financing in financing for development meant that capital flows to emerging market and developing countries had remained relatively strong. Capital market financing was no longer focused on major emerging markets but had spread to frontier economies with flows of direct foreign investment. Although the volatility of private capital flows had resulted in challenges, many economies had improved their management of such flows. While the financial and economic crisis had brought difficulties in advanced economies, conditions in emerging market and developing economies were better than had been expected on the basis of the experience of the late 1970s and early 1980s and were expected to improve.

22. Although the slowdown in China had been expected because it had been induced through government policy, vulnerabilities on such a large scale generated risks for the global economy. The fall in oil prices, however, had resulted not from the slowdown in China but from unexpectedly high costs and demand. It was difficult to forecast the level at which oil prices would settle, but some of the adjustments expected after the high prices of the previous decade were now being made. On the demand side, energy efficiency was increasing, while, on the supply side, high prices had fostered the emergence of new technologies and markets. Short-term oversupply had caused oil prices to fall more than expected; the long-run marginal cost had remained above $60 per barrel. Oil prices had remained above the long-run marginal cost estimates because of production decreases resulting from geopolitical factors and sanctions.

23. Since oil costs were a factor in the prices of other commodities, falling oil prices could increase revenue for the suppliers of such commodities. For example, suppliers had responded to high industrial metal prices by building production capacity. Iron ore production had doubled in the previous decade despite the expected slow growth in steel production and residential investment in major markets. Commodity booms must not be allowed to impede economic diversification or result in a boom in demand that would raise prices in non-tradable sectors and jeopardize tradable sectors. Although lower commodity prices offered a solution to such problems, they adversely affected growth.

24. Currency fluctuations could generate another dollar cycle characterized by continuing adjustments in currency markets. Although the current dollar cycle was modest compared with the appreciation of the early 1980s, further currency realignments were possible given the uneven growth of the major economies. Without major policy changes, crisis legacies would disappear slowly. Growth in the major advanced economies affected by such legacies would remain modest for the next five years.

25. **The President** asked whether the yuan would continue to appreciate with the dollar.

26. **Mr. Helbling** (Chief, World Economic Studies Division, International Monetary Fund) said that the anchoring of the yuan to the dollar had become problematic because so many Chinese goods and services were exported outside the dollar zone. The dollar debt incurred by China in recent years could also result in policy conflicts.

Thematic debate on theme 4: "Follow-up and the way forward: enhancing the role of the Economic and Social Council"

27. **Ms. Mejía Vélez** (Colombia), panellist, said that the discussions on the post-2015 development agenda presented a unique opportunity for the United Nations development system to forge a shared vision of the future the world wanted. A transformative sustainable development agenda called for an adaptation of the

system as a whole. The means of implementing that agenda would be a central component of the follow-up and review process. The Council, which served as the nucleus for providing intergovernmental direction on progress made by the system in the context of the post-2015 agenda, would have a key role to play in the follow-up of the third International Conference on Financing for Development, considering its close relationship with international financial institutions and its experience in following up on the commitments derived from the Monterrey Consensus on Financing for Development and the Doha Declaration on Financing for Development.

28. The new follow-up and review architecture might be based on a review conducted by the high-level political forum convened under the auspices of the Council. Further development of the follow-up and review architecture would be largely determined by the outcomes of the meeting of the high-level political forum to be held in July 2015. Any new review mechanisms must be based primarily on the experience drawn from the voluntary national presentations made during the annual ministerial review process. The entities of the Council, including its organizational committees and subsidiary bodies, would be crucial in offering technical, normative and other inputs for effective follow-up. The Council had the necessary tools, including the integration segment, the Development Cooperation Forum, the operational activities segment and the quadrennial comprehensive policy review, to support the follow-up and review of the post-2015 agenda and to foster integration.

29. It was important for the Council to strengthen cooperation and coordination throughout the system, at both the inter-agency and the intergovernmental levels. To perform its role as the platform for providing guidance to the system as a whole, the Council must stress and encourage effective normative and operational links in the work of the United Nations system. The operational activities segment and the quadrennial comprehensive policy review process provided the linkage between the operational and normative aspects of the United Nations development system. The review process for 2016 would enable the General Assembly to consider progress made, assess emerging challenges and provide more strategic direction on the operational activities of the United Nations.

30. The Council was currently engaged in a dialogue with Member States and other stakeholders on the long-term positioning of the United Nations development system. The dialogue would cover the linkages between functional alignments, financing practices, governance structures, capacities and impacts of the United Nations development system, and associations and other organizational arrangements in the context of the post-2015 development agenda.

31. The Development Cooperation Forum was the appropriate platform for the review of trends and advances in international cooperation for development and its effectiveness in achieving internationally agreed goals. In that regard, it could become an appropriate platform for mutual accountability at the global level and for discussing topics related to the effectiveness of development assistance.

32. **Mr. Oh** Joon (Republic of Korea), panellist, said that sustainable development would be at the centre of the Council's deliberations in 2015, ahead of the third International Conference on Financing for Development, and especially the adoption of the post-2015 development agenda in September 2015. Continuous economic growth and job creation were essential for mobilizing development resources. However, at a time when important agreements on development would be reached, while the world economy still faced many pressing challenges, the United Nations in general and the Council in particular would have to deliver tangible results.

33. Three key words would be crucial to the process of strengthening the role of the Council: integration, implementation and interaction. The Council was mandated to promote the integration of the economic, social and environmental dimensions of sustainable development in the United Nations system and beyond. To fulfil that mandate, it had established the integration segment in 2014 as an integral part of its substantive session. The Council had been empowered to convene a broad spectrum of policymakers and stakeholders, taking a holistic approach to social, economic and environmental affairs. Efforts made to promote integration during the transition from the Millennium Development Goals to the sustainable development goals would serve to make the Council fit for purpose in carrying out the post-2015 development agenda.

34. In addition to following up on the implementation of the recommendations of past world summits and

conferences, the Council would also play a central role in the implementation of the post-2015 development agenda. Active engagement, strong alignment of interests and policies, and accountability would be crucial moving forward. At its upcoming session, to be held in May 2015, the high-level political forum convened under the auspices of the Council would take stock of the regular reviews it had conducted on the follow-up and implementation of the post-2015 development commitments.

35. The Development Cooperation Forum, one of the principal new components of a strengthened Council, was a biennial high-level meeting mandated by the 2005 World Summit on Sustainable Development to review trends in international development cooperation and to promote greater coherence among the development activities of different partners. The central role of the Forum in the monitoring, review and follow-up processes should be maximized to provide a platform of mutual accountability. It was generally agreed that the transformative and ambitious post-2015 development agenda could only be achieved with a genuine partnership and a thorough review and follow-up process. In that connection, providing a reliable framework of accountability would be both a challenge and an opportunity for the Council.

36. With regard to interaction, the Council had been mandated to serve as a platform for the coordination of global, regional and national development activities, and to link together individual follow-up and review processes with a view to optimizing mutual reinforcement across the development system as a whole. The strength of the Council lay in its partnership with its subsidiary bodies and with various institutions and stakeholders, and in its ability to connect the new development agenda with the operations of the United Nations development system and financing for development. As such, the regular exchanges and annual special high-level meetings it held with the World Bank, the International Monetary Fund, the World Trade Organization and the United Nations Conference on Trade and Development would continue to be very useful for all parties involved.

37. Lastly, the Council should also serve as a solid platform for sharing expertise and values, bringing together different stakeholders, and setting shared objectives for the future the world wanted. With the global development landscape continuously evolving, efforts to strengthen coherence, coordination and cooperation among different development actors were crucial. The Council stood ready to take on the challenges that lay ahead. He hoped that the Council would be supported in its efforts to bring together all development actors for the achievement of the sustainable development goals and the successful implementation of the post-2015 development agenda.

Interactive dialogue

38. **Mr. Egli** (Switzerland) said that an ambitious post-2015 agenda for sustainable development must be accompanied by an effective review process. A key question was how a global partnership on sustainable development could be promoted in the context of the follow-up to the financing for development process and the post-2015 development agenda. Follow-up and review mechanisms would enable the world to understand the workings of the process in a manner that allowed for adjustments to be made. They would also allow States to learn from the experience of others and help to determine whether all States were individually and collectively on track to meet their objectives. Global and national reviews would be needed, because events in one part of the world had an impact on other parts of the world.

39. His delegation considered the financing for development process an integral part of the overall post-2015 sustainable development agenda. The follow-up process of the outcome of the Addis Ababa conference should also be an integral part of the global post-2015 monitoring and review mechanism. The high-level political forum should serve as the central locus for various sectorial monitoring and review processes, including the follow-up process on financing for sustainable development. To make that happen, the institutions responsible for follow-up and review with regards to the post-2015 agenda should be strengthened and the requisite processes streamlined.

40. More reflection was needed on the role of existing financing for development follow-up meetings and events in the context of the General Assembly, the Council and the United Nations system as a whole. The increasingly diverse range of actors involved in financing for sustainable development called for an innovative architecture. The follow-up process should provide for the participation of all relevant actors, including the major institutional stakeholders, multilateral development banks, the Organization for

Economic Cooperation and Development, civil society and the private sector.

41. Lastly, in order to strengthen the United Nations institutional framework for sustainable development, the high-level political forum and the Council should complement each other, according to their respective comparative advantages. The Council and its subsidiary bodies and the development organizations of the United Nations system should serve as knowledge hubs for all information on each actor's contribution to the implementation of the post-2015 sustainable development agenda. National reviews on progress in the implementation of that agenda should also be conducted under the auspices of the high-level political forum.

42. **Ms. Simonyan** (Observer for Armenia) said that the high-level political forum was well positioned to provide a solid platform for a unique international accountability mechanism, but that other instruments that were available or that could be made available to the Council should be considered, given the voluntary nature of the review mechanism and the principle of differentiation that would most probably be incorporated into it. It might be useful, for example, to provide incentives for countries to show greater commitment to the reporting process, and to consider the role of non-State actors in it.

43. Technical expertise and the interplay between the overall accountability framework and the various United Nations agencies and bodies involved in the implementation of the post-2015 agenda would also have practical implications for the follow-up and review process. National statistical agencies had a central role to play in the monitoring process, yet the recent exercise conducted by the Statistical Commission on the preliminary assessment of the indicators revealed a gap in the capacities of Member States to provide input. It would be helpful for Member States to hold preparatory discussions ahead of the upcoming intergovernmental negotiations on the post-2015 follow-up and review mechanism, in order to have a better understanding of the results that could be expected from those processes, without prejudging the outcomes of future deliberations.

44. **Mr. Mohieldin** (World Bank) said that it was important to determine whether the world was comfortable with the evidence-based approach for monitoring and evaluating the proposed sustainable development goals, their associated targets and indicators, considering that some of them were very complicated and not easy to quantify. It was also important to determine the accountability frameworks for the implementation of those goals. The World Bank, for example, had developed its country partnership frameworks and country diagnostics to help it understand what was happening at the country level, and intended to ultimately incorporate the sustainable development goals into those frameworks. It had acquired a great deal of experience monitoring how the world was implementing the policies and actions for achieving the Millennium Development Goals and related development outcomes.

45. The Global Monitoring reports, produced jointly with the International Monetary Fund, were a framework for accountability in global development policy. Accountability at the national level was, however, more complicated. There had been suggestions that the listing approach should be adopted, whereby countries would be publicly shamed for failing to achieve the goals, but it was generally felt that such an approach would be counter-productive. With regard to the time frame, regular annual updates and reviews would be very useful for monitoring the goals.

46. **Ms. De Guindos Talavera** (World Bank) said that there was general agreement as to the need to mobilize public and private financing for monitoring the implementation of the post-2015 development agenda, but that the real challenge was to determine how to use the available resources more efficiently. A stronger tax system was needed to curb illicit financial flows, combat tax evasion and allow Governments to collect enough revenues that could be partly allocated to the development portfolio. Resources were also being lost through the lack of competition in the markets. The economies in many developing countries, especially in the low-income countries, were dominated by monopolies that determined the prices of goods and services and generally produced goods and services of low quality. In the middle-income and developed economies, where oligopolies and cartels held sway, they had access to almost all the resources and determined the prices of goods and services, to the detriment of consumers. Strong anti-trust authorities were therefore needed in all countries, along with a global dialogue to address all issues related to the post-

2015 agenda. As the global forum for such discussions, the Council had a vital role to play in that regard.

47. **Ms. Santala** (World Bank) said that monitoring and implementation of the outcome of the third International Conference on Financing for Development should be action-oriented, focused and interactive. At the same time, increased bureaucracy and a proliferation of processes should be avoided.

48. **Ms. Reyes** (Observer for Equidad de Género: Ciudadanía, Trabajo y Familia, A.C.) said that a strong follow-up mechanism would be needed to keep track of the fulfilment of the commitments made at that Conference, without which those discussions would not progress beyond rhetoric. The existing annual dialogues between the Council and the Bretton Woods institutions were not sufficient to monitor the outcome of the Conference or to propose new action-oriented initiatives. She therefore called for the establishment of a permanent intergovernmental space, which could be called a "financing for development commission", for example, to keep track of the financing for development modalities and to lay the groundwork for an accountability process at the national and international levels. Effective and meaningful participation by civil society in the process should also be mainstreamed into the governance mechanism to ensure its transparency. An inter-agency task force, as proposed in the zero draft of the outcome document of the third International Conference on Financing for Development, to report annually on progress, was a good opportunity to develop further the linkages between the different platforms related to the full implementation of the financing for development outcomes.

49. **Ms. Hanfstängl** (Observer for Bread for the World) said that in order to have a positive impact, advance coherence and contribute to the strengthening of the Council, the meetings between the United Nations and the Bretton Woods institutions should be more focused and outcome-oriented, and include round-table discussions with a smaller number of participants, rather than just plenary sessions where delegates simply had to listen to statements. That formula had been adopted successfully in the past, even though the range of issues discussed was still too broad. There should also be more focused debates on specific issues identified through the financing for development outcome and follow-up process. If the meetings were more outcome-oriented, their conclusions could then be submitted to the relevant bodies, such as the International Monetary Fund, the World Trade Organization or the General Assembly, for further action. Working groups could deliberate to prepare positions ahead of the meetings, and a financing for development commission could be established to prepare for specific results. Meetings could also be held ahead of the spring meetings of the Bretton Woods institutions to present the views of United Nations development processes for their consideration. That approach had been adopted in the past and could be adopted again.

50. **Mr. Kohonen** (Observer for Christian Aid), speaking on behalf of the broader civil coalition working on financing for development, said that financing for development was the first building block of a series of ambitious efforts to make the global economic, social and environmental governance systems more equitable and based on human rights frameworks. The current meeting was a testament to the commitments made at the first financing for development conference, held in Monterrey, Mexico. However, it should adapt to the new realities of the development landscape. In that regard, his organization proposed the establishment of a permanent financing for development commission at the heart of a permanent follow-up mechanism.

51. It was imperative to remind the world of the values and principles of the proposed global partnership for development, which would be based on the principles of universality, differentiation and responsibility as key principles concerning the centrality of the role of States as duty bearers within a rights-based framework. Although multi-stakeholder and interactive dialogues within working groups and follow-up structures might serve as a space for inclusiveness and new and innovative policy solutions, States should still fulfil their duties of tackling inequality, providing decent jobs, achieving gender equality and protecting the environment. Concrete principles should be developed to govern ex-ante assessments, without which the impact of public-private financing arrangements could end up causing more harm than good. They could lead to blending and leveraging, and even give rise to unsustainable debt burdens or contingent liabilities.

52. Similarly, it was important to develop principles for the assessment of illicit financial flows, which currently lacked an official definition and follow-up

mechanism with clear targets. His organization welcomed the idea of gradually addressing illicit financial flows through public, country-by-country reporting with the automatic exchange of corporate tax information, as proposed in the zero draft of the outcome document of the third International Conference on Financing for Development. Nonetheless, clear timelines for reducing such flows should be built into the proposed financing for development follow-up process within the United Nations.

53. **Mr. Oh** Joon (Republic of Korea) said that it was normal for most comments to have been focused on the implementation of the outcome of the financing for development process and the sustainable development goals, since there seemed to be no doubt that an agreement would be reached in 2015 on those two issues. It was true that the review processes still required fine-tuning. The indicators for the sustainable development goals must be developed as soon as possible, to ensure the validity of the evidence-based approach for the monitoring exercise. He agreed that accountability at the national, regional and global levels was also important, and that one option for monitoring the implementation of the new development agenda could be to set up a peer-review process involving all countries, similar to the periodic review process concerning human rights. Nonetheless, that option required further discussion.

54. With regard to the strengthening of the dialogue between the Council and the Bretton Woods institutions, he agreed that small round tables were a good idea in order to make the dialogue more outcome-oriented, more concrete and more interactive. Lastly, the upcoming meeting of the high-level political forum in July 2015 would be vitally important because it would be the last meeting held before the adoption of the new development agenda in September 2015.

55. **Ms. Mejía Vélez** (Colombia) said that monitoring and implementation of the post-2015 development agenda was of utmost importance and would be the focus of the intergovernmental meeting process that would take place in July 2015. The forum for monitoring the implementation of the outcome of the third International Conference on Financing for Development had not yet been determined, with suggestions ranging from the high-level political forum to the General Assembly or the Council itself.

56. Accountability for the implementation of that outcome should start at the national level, with Member States being accountable to both themselves and their citizens. In the case of Colombia, the Government had been able to incorporate the sustainable development goals and their related targets into its national development plan even before their official adoption, and conferred much authority to the national statistical commission for the generation of relevant statistics. It had done so through a collective and inclusive process involving the Government, civil society, academics and the private sector. A similar process had been undertaken at the regional level in Africa and Latin America, with the economic commissions of those two regions having used national information from Member States to develop their regional perspectives and common matrices and ambitions that would feed into the global process. Combating illicit financial flows was also an important component of the future agenda.

Closure of the special high-level meeting

57. **The President** said that the 2015 special high-level meeting, which had brought together all the key players involved in deliberations on the post-2015 development agenda and its means of implementation, illustrated the important role of the Council in fostering coordination and collaboration between the United Nations and its partner organizations and had shown that the participants shared a strong sense of purpose. Taking place only three months prior to the third International Conference on Financing for Development in Addis Ababa, the meeting had offered a chance to discuss the success criteria and key deliverables of that conference and built on an unprecedented engagement of the Secretary-General at the spring meetings of the International Monetary Fund and the World Bank, including in the plenary meetings of the International Monetary and Financial Committee and the Development Committee. The road to the Addis Ababa conference was challenging, but the international community could not afford to miss the opportunity it offered.

58. Despite an uneven global economic outlook and unemployment, in particular youth unemployment, which remained high, recent economic trends were sending positive signals. It was important to create enabling national and global environments for development. A strong global economy was fertile

ground for development; a weak one would have pronounced economic implications. Ambitious structural reforms must be put in place in many areas, including labour markets, social sectors, infrastructure and energy, for the achievement of the post-2015 development agenda. The real test of that agenda would be in its implementation. In that context, several panellists had highlighted that business as usual would not be sufficient.

59. It would be necessary to tap into all sources of development finance — public, private, domestic and international. While official development assistance would remain crucial in the new financing framework and some donors had reiterated their commitment to meet the 0.7 per cent target, it would not be sufficient. The importance of strengthening tax collection capacity and tax compliance, addressing illicit financial flows and the key role of capacity-building had been recurrent themes.

60. Many participants had also underlined the potential and importance of small- and medium-sized enterprises for economic growth and job creation; the proposed world small and medium-sized enterprises forum was a welcome initiative. The development agenda must also recognize the need for coherence and consistency of the trade system, and address distortions, non-tariff measures, tariff peaks and other policies that hurt developing countries. Completing the Doha Round was important to fully harness the potential for trade and investment.

61. Notwithstanding the importance of respecting national realities and the prerogative of national Governments, which were responsible for development, the ambitious global development agenda could be achieved only through a joint effort involving all actors and all forms of cooperation, particularly South-South cooperation. During discussions on the global economic outlook and systemic issues, including the role of the Council, there had been calls for strengthening the role of the United Nations in global economic governance and international cooperation in tax matters, as well as for giving developing countries greater voice and representation in the governance of international financial institutions. It would be impossible to tackle the challenges of formulating and implementing a new global financing framework without the engagement of all relevant stakeholders. He was confident that the indispensable collaboration with institutional stakeholders would continue and expand, and counted on their support to build, through the conference in Addis Ababa, a solid foundation for the implementation of the post-2015 development agenda.

The meeting rose at 12.15 p.m.